

QUOTA EXCHANGE

The market-clearing price established for the April, 2009 Unused Quota Exchange was **\$75.00**. The market-clearing price established for the April, 2009 Used Quota Exchange was **\$60.12**. The results of the April 2009 Quota Exchange are outlined in the following Tables.

The next monthly Quota Exchange for the 2008-2009 dairy year will be held on May 15, 2009. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the Board office by midnight, May 6, 2009. The Board recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange.

Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. **Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange.**

The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

UNUSED QUOTA EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	\$75.00
Kilograms offered to Purchase	6,500
Kilograms offered to Sell	4,222
Kilograms sold	1,222
Number of Producers	
- offered to purchase	4
- purchased quota	1
- offered to sell	4
- sold quota	3

UNUSED QUOTA EXCHANGE

Price (\$/kg b.f.)	No. of Sellers	Cumulative Sellers	Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
55.80	1	1	17	17	-6,483	6,500	0	4	0
57.00	1	2	205	222	-6,278	6,500	0	4	0
65.05	0	2	0	222	-6,278	6,500	1,000	4	1
68.00	0	2	0	222	-5,278	5,500	4,000	3	2
75.00	1	3	1,000	1,222	-278	1,500	1,500	1	1
78.00	1	4	3,000	4,222	4,222	0	0	0	0

USED QUOTA EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	\$60.12
Kilograms offered to Purchase	14,405
Kilograms offered to Sell	1,500
Kilograms sold	1,500
Number of Producers	
- offered to purchase	10
- purchased quota	1
- offered to sell	1
- sold quota	1

USED QUOTA EXCHANGE

Price (\$/kg b.f.)	No. of Sellers	Cumulative Sellers	Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
54.00	1	1	1,500	1,500	-12,905	14,405	3,000	10	1
55.00	0	1	0	1,500	-9,905	11,405	2,740	9	2
55.55	0	1	0	1,500	-7,165	8,665	1,000	7	1
55.60	0	1	0	1,500	-6,165	7,665	1,500	6	1
57.20	0	1	0	1,500	-4,665	6,165	1,500	5	1
58.70	0	1	0	1,500	-3,165	4,665	1,500	4	1
59.11	0	1	0	1,500	-1,665	3,165	1,500	3	1
60.00	0	1	0	1,500	-165	1,665	165	2	1
60.12	0	1	0	1,500	0	1,500	1,500	1	1

WEIGHTED AVERAGE COMPONENT TESTS & PRICES March 2009

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.7739	\$10.485613
Protein	3.3266	\$ 7.485613
Other Solids	5.6752	\$ 1.096952

Based on the average component tests for the province, the average price received was \$70.6983 per hectolitre. **The average butterfat price received per kilogram was \$18.73.** The lower blend price was a result of over 27% of the milk shipped going into sales of Special Class, which is of significantly lower value. The Board requested an advance on March Special Class pooling from the Canadian Dairy Commission and received \$662,050. This amount was added into the February 2009 pooling results of \$81,531 to determine March pool results.

Over quota (4m) holdings are \$1,981,316.57 for the first eight months of the 2008-2009 dairy year.

SASKATCHEWAN MILK POOL RESULTS March 2009

Milk Sale Revenue	\$ 13,973,666.93
Western Milk Pool	\$ 743,581.32
Dairy Farmers of Canada Skim Off	\$ -19,037.12
Plant of Last Resort Service	\$ -58,966.28
Total Pool Value	\$ 14,639,244.85

**UNALLOCATED TOTAL PRODUCTION QUOTA PENDING
FOR August 1, 2009 IS ESTIMATED AT -.28%**

Unallocated Total Production Quota Pending is the quota change being projected for the beginning of the new dairy year. This is the result of *pro-rata* quota allocations to producers during the current dairy year.

TEMPORARY QUOTA DECREASE – MAY 1, 2009

Effective May 1, 2009 there will be a temporary decrease of **0.75%** on Total Production Quota. This decrease will not be included in the July 31, 2009 97% production requirement calculation. This decision was made based on actual and projected butterfat test and production levels. The national continuous quota model imposes significant financial penalties to provinces that produce beyond their quota allocation; therefore this temporary quota decrease is necessary to try and ensure that Saskatchewan does not produce more butterfat than is permitted under the national continuous quota model.

CONTINUOUS QUOTA AND OVER PRODUCTION PENALTY

The national continuous quota model penalizes a province for exceeding the upper flexibility limit for production. This financial penalty is 1.5 times the blend price.

After receiving feedback from producers at the spring producer meetings, the Board will pay for any financial penalty assessed to Saskatchewan through the monthly producer payment pool.

The Board will continue to closely monitor Saskatchewan's production situation and adjust quota allocations when warranted. To date, Saskatchewan has not been subject to any financial penalty under the national continuous quota model.

ACCOUNTING VALUES FOR CLASSES OF MILK April 2009

	Butterfat (\$/kg)	(\$ per hl. Skim milk)	
Class 1a	\$5.3000	\$68.10	
Class 1b	\$5.3000	\$68.10	
Class 1c	\$5.3000	\$54.30	
	Butterfat (\$/kg)	Protein (\$/kg)	Other Solids (\$/kg)
Class 2	\$7.5339	\$5.6447	\$5.6447
Class 3a	\$7.5339	\$13.1864	\$0.8940
Class 3b	\$7.5339	\$12.9337	\$0.8780
Class 4a, 4b, 4d & 4d(i)	\$7.5339	\$5.2463	\$5.2463
Class 4a(i)	\$7.5339	\$2.6000	\$2.6000
Class 4c	As approved by the Board		
Class 4m	\$0.00	\$0.00	\$0.00
Class 5a	\$3.0071	\$4.9710	\$0.0001
Class 5b	\$3.0071	\$1.7788	\$1.7788
Class 5c	\$3.0000	\$1.4984	\$1.4984
Class 5d	As determined by	the CDC	

QUOTA MANAGEMENT TABLE

Please find enclosed your quota management results for March 2009. This Table indicates the percentage of each producer's quota allocation utilized as well as the kilograms of butterfat produced by these shipments. This sheet reflects the April 1, 2009 permanent quota decrease (line 10).

There are lines numbered 1 through 10 on the top portion of your quota management sheet which show adjustments to your quota for the 2008-2009 dairy year. Enclosed with your quota management sheet is an explanation of how these adjustments will affect what you are required to produce for mid-year (January 31st) and year-end (July 31st) to achieve 97%. If you have any questions, please contact our office.

In March, Saskatchewan had a monthly CDC allocation of **744,371 kilograms** of butterfat. For March, Saskatchewan is **+35,956 kilograms** of butterfat over, and cumulatively over by **+40,793 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **+0.47%** within our CDC allocation flexibility limits based on the Continuous Quota model.

For the 2008-09 dairy year, Saskatchewan produced **100.70%** of its allocation from August 1, 2008 to March 31, 2009.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 - 2 = 3	(4) Lower Flexibility Limit (1.5%) Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit 0.5% Kgs bf col. 9 * 0.5%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
Aug-08	714,566	711,593	2,973	(130,546)	43,515	2,973	0.03%	-	8,703,088
Sep-08	702,656	712,733	(10,077)	(130,901)	43,634	(7,104)	(0.08%)	-	8,726,753
Oct-08	731,710	765,419	(33,709)	(130,809)	43,603	(40,814)	(0.47%)	-	8,720,621
Nov-08	725,592	730,200	(4,608)	(130,756)	43,585	(45,421)	(0.52%)	-	8,717,065
Dec-08	768,375	770,028	(1,652)	(130,900)	43,633	(47,074)	(0.54%)	-	8,726,664
Jan-09	776,069	747,648	28,421	(130,950)	43,650	(-18,652)	(0.21%)	-	8,729,975
Feb-09	696,788	673,299	23,490	(130,537)	43,512	4,837	0.06%	-	8,702,488
Mar-09	780,327	744,371	35,956	(130,533)	43,511	40,793	0.47%	-	8,702,230

(1) Monthly Production in Saskatchewan

(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward

(3) Difference between the monthly production (1) and the total monthly quota (2)

(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)

(5) The Upper Flexibility Limit is 0.5% of Rolling 12 Month Total Quota (9)

(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)

(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits

(8) Over Quota or (Lost production opportunity) outside of flexibility limits

(9) Total Monthly CDC Quota Allocation for the previous 12 months

QUOTA LISTING SERVICE

The Board offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows, miscellaneous dairy equipment, or swap quota is welcome to contact the Board office at (306) 787-5319. All prices and negotiations will be independent of the Milk Control Board.

Swap in Unused Quota

- Springlake Colony – Sam (306) 741-8766
- Kelly Neudorf (306) 225-4680
- Keith Thoner (306) 259-2171
- Ford Dairy – Contact Leonard @ (306) 783-0977 or Margaret @ (306) 782-7240
- Anna Mulder (306) 933-9485
- Earview Colony - Dave (306) 672-3516
- Harry Martens (306) 239-4902 or cell (306) 222-0322
- Spring Creek Colony – Dave @ cell (403) 979-1379

Swap out Unused Quota

- Wheatland Colony would like to swap out quota. Contact George at (306) 587-2458 Ext. 109

Wanted – Quota to Purchase

- Wanted – quota to purchase (quota only) – approximately 10,000 kilograms. Contact Henry Klop (306) 493-2273
- Wanted to purchase approximately 10,000 – 15,000 kilograms quota. Contact Darcy Loewen (306) 493-8201.

Quota &/or Cows for Sale

- Two breeding age bulls for sale. Contact Ernest Friesen at (306) 931-1947 or (306) 260-9480.
- For sale – 10 milk cows. Phone Chad (306) 598-2054
- For sale – 14 heifers and 3 cows. Phone Fred or Anne Monchuk (306) 365-4750

- Quota for sale. Approximately 32,000 kilograms. Contact Dan Hazell @ Glenacre Holsteins. Phone (306) 224-4850. Fax (306) 224-4909.
- Cows and quota (approximately 40,000 kilograms). Please contact Ken Schmidt @ (306) 374-8980
- Bred heifers for sale – contact Danny at Box Elder Colony – (403) 502-9997
- For sale: 2 year old Reg Holstein Bull. Sire is Comestar L'Herors and the Dam is a VG Rudolph with 5 Lact. Avg 253-273-271 BCA 1 Superior lact, 2nd Dam is EX 2E 6* Chief Mark, 4 Lact Avg 234-275-225 BCA 2 Superior lact. This Bull is backed by 8 generations of VG or EX. He is a proven breeder and he has an excellent disposition. Contact Lloyd Sawatzky, Saskatoon, SK. Phone (306) 239-4818. Cell (306) 281-2247.
- For sale: 18 Reg Holstein heifers due March – June 2009. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.

Miscellaneous For Sale

- One 14' Richardson Jiffy Hy-dump silage wagon. Contact Bob or Kim McCubbing, Unity, Sask. Phone (306) 228-2921 or cell (306) 228-8598.
- Hay for sale: First and Second Cut. Birch Hills, Sask. (306) 749-2879
Livestock Equipment for Sale:
120 artex freestalls
120 pasturemat mattress
De Laval Sort Gate
Supreme model 900 TMR Mixer
Supreme model 700 TMR Mixer
Haybuster Model H1000 with 3 sets of screens and grain attachments
6000 gallon HUSKY Manure tank, flotation tide with injectors
Contact (306) 749-2879
- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.
- Alfa-laval Accublend 285 Mixer; Agri-Metal 542 feedcart; Renn 10hp Roller mill; Conveyors, 2-14 ft x 18 inch, 1-42 ft x 18 inch; 2 – 6 inch electric augers, 10 & 14ft; Harvestore, Goliath and Hercules unloaders; Mueller 1000 gallon milk tank; Alamo 100 vacuum pump; Surge Eclipse milking units and retractors. Contact: Leonard Blocka (306) 764-8439 or cell (306) 960-6608.
- 16 Waikato milk meters \$250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. \$50,000. Contact Corman Holsteins (306) 933-4608
- 2002 Tubeline Bale Wrapper and a dismantled 25/90 Harvestorg Silo. Call David Slykhuis @ (306) 453-2878 in Carlyle, SK

- 2000 gallon Delaval tank. Call James Hein (306) 365-3209

Wanted to Buy

- Used Ration Master II Processor (used for feed stations)
Contact Margaret at (306) 782-7240.

MILK CONTROL BOARD MEMBERS

Blaine McLeod - Chairman	Dairy Producer - (306) 756-2775
Dale Strudwick – Vice-Chair	Dairy producer - (306) 771-4186
Alvin Schultz - member	Dairy producer - (306) 254-4301
Dr. Bob Tyler - member	Professor - Dept. of Food & Bioproduct Sciences, University of Saskatchewan, Saskatoon

For further information, please contact the Saskatchewan Milk Control Board office.

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